

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Individual Quarter		Cumulative Quarter	
	3 Months Period Ended		12 Months Period Ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Revenue	163,830	201,726	618,539	608,181
Operating expenses				
-Depreciation & amortisation	(1,564)	(10,252)	(6,368)	(17,348)
-Other operating costs	(188,818)	(214,640)	(693,800)	(650,204)
Other income	2,937	479	16,549	1,445
Loss from operations	(23,615)	(22,689)	(65,080)	(57,926)
Share of losses in associate companies	(1,871)	(2,909)	(3,386)	(5,017)
Fair value gain on other quoted investment	8,242	1,221	10,226	31,822
Finance costs	(213)	(5,690)	(15,320)	(21,028)
Loss before tax	(17,457)	(30,067)	(73,560)	(52,149)
Income tax expense	211	2,465	(19)	642
Loss for the period	(17,246)	(27,602)	(73,579)	(51,507)
Other comprehensive income				
Fair value gain on long term quoted investment	32,967	4,884	40,904	127,289
Foreign currency translation differences for foreign operations	442	(1,020)	800	(1,043)
Conversion of Warrants into Ordinary Shares	(5,215)	-	(5,215)	-
Fair value gain on settlement of debt instrument	63,112	-	63,112	-
Total other comprehensive income for the period	91,306	3,864	99,601	126,246
Total comprehensive income/(expenses) for the period	74,060	(23,737)	26,022	74,739
Loss attributable to:				
Owners of the Company	(20,234)	(26,098)	(73,099)	(45,965)
Non-controlling interests	2,988	(1,503)	(480)	(5,542)
Loss for the period	(17,246)	(27,602)	(73,579)	(51,507)
Total comprehensive income attributable to:				
Owners of the Company	71,072	(22,234)	26,502	80,281
Non-controlling interests	2,988	(1,503)	(480)	(5,542)
Total comprehensive income/(expenses) for the period	74,060	(23,737)	26,022	74,739
Basic loss per ordinary share (sen):	(1.9)	(2.9)	(6.9)	(5.0)
Diluted loss per ordinary share (sen):	(1.7)	(2.6)	(6.3)	(4.6)

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	As at 31/12/2020 (Unaudited) RM '000	As at 31/12/2019 (Audited) RM '000
ASSETS		
Investment in associates	16,339	19,820
Property, plant and equipment	8,435	3,446
Rights of use of assets	2,001	1,385
Other long term investments	271,046	429,403
Intangible assets	7,495	7,495
Development costs	4,552	9,418
Total non-current assets	309,868	470,967
Inventories	14,532	17,535
Trade receivables	115,561	147,047
Other receivables, deposits and prepayments	33,025	30,996
Fixed deposits with licensed banks	11,715	8,331
Cash and bank balances	34,696	38,336
Total current assets	209,529	242,245
TOTAL ASSETS	519,397	713,212
EQUITY		
Share capital	268,262	153,408
Reserves	134,047	106,833
Total equity attributable to owners of the Company	402,309	260,241
Non-controlling interests	(7,570)	(7,090)
Total equity	394,739	253,151
LIABILITIES		
Long term borrowings	-	272,710
Lease liabilities	186	186
Deferred tax liabilities	1,294	1,075
Total non-current liabilities	1,480	273,971
Trade payables	74,263	121,871
Other payables and accruals	39,821	55,516
Amount owing to related parties	165	-
Short term borrowings	7,078	7,452
Lease liabilities	1,851	1,251
Total current liabilities	123,178	186,090
TOTAL LIABILITIES	124,658	460,061
TOTAL EQUITY AND LIABILITIES	519,397	713,212
Net asset per share attributable to ordinary equity holders of the parent (sen)	38	28

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019.

GREEN PACKET BERHAD [Registration No. 200001032335 (534942-H)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	-----Attributable to owners of the Company-----								
	Shares Capital	Non-Distributable				Accumulated Losses	Sub-total	Non- controlling Interests	Total Equity
		Foreign Exchange Translation Reserves	Treasury Shares	Share Options Reserve	Fair Value Reserves / Warrants Reserves				
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
Unaudited									
At 1 January 2020	153,408	4,267	(12,217)	-	199,086	(84,303)	260,241	(7,090)	253,151
Issue of ordinary shares	79,570	-	-	-	-	-	79,570	-	79,570
Conversion of Warrants into Ordinary Shares	35,509	-	-	-	(5,215)	-	30,294	-	30,294
Share issues expenses	(225)	-	-	-	-	-	(225)	-	(225)
Fair value gain on other quoted investment	-	-	-	-	40,904	-	40,904	-	40,904
Foreign currency translation differences for foreign operations	-	800	-	-	-	-	800	-	800
Fair value gain on settlement of debt instrument	-	-	-	-	63,112	-	63,112	-	63,112
Transfer of Fair value reserves to Accumulated losses	-	-	-	-	(63,112)	63,112	-	-	-
Fair value of share options granted	-	-	-	712	-	-	712	-	712
Loss for the period	-	-	-	-	-	(73,099)	(73,099)	(480)	(73,579)
	114,854	800	-	712	35,689	(9,987)	142,068	(480)	141,588
At 31 December 2020	268,262	5,067	(12,217)	712	234,775	(94,290)	402,309	(7,570)	394,739

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019.

GREEN PACKET BERHAD [Registration No. 200001032335 (534942-H)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Attributable to owners of the Company								
	Shares Capital	Non-Distributable				Accumulated Losses	Sub-total	Non- controlling Interests	Total Equity
		Foreign Exchange Translation Reserves	Treasury Shares	Share Options Reserve	Fair Value Reserves / Warrants Reserves				
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
Audited									
At 1 January 2019	597,375	5,310	(12,217)	-	73,493	(493,799)	170,162	(1,548)	168,614
Cumulative effect of initial application of MFRS 16	-	-	-	-	-	(54)	(54)	-	(54)
	597,375	5,310	(12,217)	-	73,493	(493,853)	170,108	(1,548)	168,560
Conversion of Warrants into Ordinary Shares	11,548	-	-	-	(1,696)	-	9,852	-	9,852
Fair value gain on other quoted investment	-	-	-	-	127,289	-	127,289	-	127,289
Foreign currency translation differences for foreign operations	-	(1,043)	-	-	-	-	(1,043)	-	(1,043)
Capital Reduction	(455,515)	-	-	-	-	455,515	-	-	-
Loss for the period	-	-	-	-	-	(45,965)	(45,965)	(5,542)	(51,507)
	(443,967)	(1,043)	-	-	125,593	409,550	90,133	(5,542)	84,591
At 31 Dec 2019	153,408	4,267	(12,217)	-	199,086	(84,303)	260,241	(7,090)	253,151

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2020**

	Financial period ended	
	31/12/2020	31/12/2019
	RM'000 (Unaudited)	RM'000 (Audited)
CASH FLOW FOR OPERATING ACTIVITIES		
Loss before taxation	(73,560)	(52,149)
Adjustments for non cash items:-		
Amortisation of development cost	3,298	3,638
Depreciation of property, plant and equipment	1,612	1,457
Equipment written off	21	280
Depreciation of rights of use of assets	1,459	1,413
Impairment loss on investment in associate	-	4,728
Impairment loss on developments costs	1,687	303
Impairment loss on goodwill	-	937
Impairment loss on trade receivables	-	2,119
Impairment loss on other intangible assets	-	3,190
Interest income	(403)	(1,363)
Interest expense	14,864	20,637
Interest expense on lease liabilities	140	139
Inventories (written back)/written off	(112)	365
Loss on dilution of equity interest in an associate	-	1,351
Share of loss of associates	3,386	5,017
Share options expenses	712	-
Unrealised loss on foreign exchange	1,518	56
Gain on lease termination	-	(3)
Fair value loss/(gains)	52,887	(31,822)
Operating profit/(loss) before working capital changes	7,509	(39,707)
Changes in working capital		
(Increase)/Decrease in inventories	3,210	233
Decrease/(Increase) in assets	29,457	(20,566)
(Increase)/Decrease in liabilities	(64,656)	41,810
Decrease/(Increase) in fiduciary cash	9,236	(6,149)
Cash for operating activities	(15,244)	(24,379)
Interest (paid)/received	(210)	778
Tax refund	200	1,669
Net cash for operating activities	(15,254)	(21,932)
CASH FLOW FROM/(FOR) INVESTING ACTIVITIES		
Addition of ROU	(2,075)	-
Disposal of other investment	209,486	-
Purchase of property, plant and equipment	(6,622)	(1,343)
Proceeds from disposal of plant and equipment	-	164
Development costs incurred	(119)	(1,475)
Net (placement)/withdrawal of fixed deposit pledged with a licensed bank	(4,959)	285
Net cash from/(for) investing activities	195,711	(2,369)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2020 (CONT'D)**

	Financial period ended	
	31/12/2020	31/12/2019
	RM'000 (Unaudited)	RM'000 (Audited)
CASH FLOW (FOR)/FROM FINANCING ACTIVITIES		
Conversion of warrants into ordinary shares	30,294	9,852
Net repayment of borrowings	(287,475)	(2,636)
Proceeds from issuance of Ordinary shares	79,570	-
Share issues expenses	(225)	-
Repayment of hire purchase obligations	(113)	-
Repayment of lease liabilities	713	(1,374)
Net cash (for)/from financing activities	(177,236)	5,842
Net decrease in cash and cash equivalents	3,221	(18,459)
Foreign exchange translation differences	800	(966)
Cash and cash equivalents at the beginning of the financial period	30,917	50,342
Cash and cash equivalents at the end of the financial period	34,938	30,917
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	34,696	38,336
Fixed deposit with licensed bank	11,715	8,331
Fixed deposit pledged with licensed bank	(11,473)	(6,514)
Fiduciary cash	-	(9,236)
	34,938	30,917

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting

A1 Basis of preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of Chapter 9 Part K of the Main Listing Requirement of Bursa Malaysia Securities Berhad ("BMSB"). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2019.

A2 Changes in accounting policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2019 except for the new standards, amendments to publish standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 January 2020 as set out below:

- a) Amendments to MFRS 101 and MFRS 108- Definition of Material
- b) Amendments to MFRS 3- Definition of Business
- c) Amendments to MFRS 9, MFRS 139 and MFRS 7 - Interest Rate Benchmark Reform
- d) Amendments to Reference to the Conceptual Framework in MFRS Standards

The adoption of the above standards and interpretations does not have significant financial impact to the Group's consolidated financial statements.

The following MFRS have been issued by the MASB and are effective for annual period commencing on or after 1 January 2021, and have yet to be adopted by the Group:

- a) MFRS 17 - Insurance Contracts
- b) Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current
- c) Amendments to MFRS 116 - Property, Plant and Equipment
- d) Amendments to MFRS 137 - Onerous Contracts-Cost of Fulfilling a Contract

A3 Auditors' report on preceding annual financial statements

The auditors issued an unqualified audit opinion on the financial statements for the year ended 31 December 2019.

A4 Seasonal or cyclical of operations

The Group's operations were not materially affected by any seasonal and cyclical factors.

A5 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A6 Material changes in estimates

There were no material changes in estimates of amounts reported in prior financial years, which may have a material effect in the current financial period under review.

A7 Changes in debts or equity securities

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the period ended 31 December 2020 except for the follows:

- a) On 23 October 2020, the Company has issued 55,000,000 new ordinary shares at an issue price of RM0.50 per share pursuant to the Company's Private Placement.

A8 Dividends payment

There were no dividends paid or proposed during the current financial period under review.

A9 Segmental information

Segmental information is provided based on geographical segment by customers' location as follows:

Results for the financial year ended 31 December 2020	Malaysia RM'000	Overseas RM'000	Group RM'000
<u>Revenue</u>			
Software and Devices	25,586	66,077	91,663
Communication Services	-	517,658	517,658
Digital Services	9,218	-	9,218
	<u>34,804</u>	<u>583,735</u>	<u>618,539</u>
<u>Results</u>			
Software and Devices	(4,997)	(12,902)	(17,899)
Communication Services	-	1,983	1,983
Digital Services	(29,790)	-	(29,790)
Investment Holding	<u>(19,777)</u>	<u>-</u>	<u>(19,777)</u>
	(54,564)	(10,919)	(65,483)
Fair value gain on other quoted investment			10,226
Finance costs			(15,320)
Finance income			403
			<u>(70,174)</u>
Share of net loss of associate			<u>(3,386)</u>
Loss before taxation			<u>(73,560)</u>
Income tax expense			<u>(19)</u>
Loss after taxation			<u>(73,579)</u>
Non-controlling interests			480
Loss after taxation & non-controlling interests			<u><u>(73,099)</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A9 Segmental information (cont'd)

Segmental information is provided based on geographical segment by customers' location as follows (cont'd):

Results for the financial year ended 31 December 2019	Malaysia RM'000	Overseas RM'000	Group RM'000
<u>Revenue</u>			
Software and Devices	3,670	40,280	43,950
Communication Services	-	557,994	557,994
Digital Services	6,237	-	6,237
	<u>9,907</u>	<u>598,274</u>	<u>608,181</u>
<u>Results</u>			
Software and Devices	(1,605)	(17,617)	(19,222)
Communication Services	-	(9,238)	(9,238)
Digital Services	(29,371)	-	(29,371)
Investment Holding	30,772	-	30,772
	<u>(204)</u>	<u>(26,855)</u>	<u>(27,059)</u>
Finance costs			(21,029)
Finance income			956
			<u>(47,132)</u>
Share of net loss of associate			<u>(5,017)</u>
Loss before taxation			<u>(52,149)</u>
Income tax expense			642
Loss after taxation			<u>(51,507)</u>
Non-controlling interests			<u>5,542</u>
Loss after taxation & non-controlling interests			<u><u>(45,965)</u></u>

A10 Valuation of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A11 Material events subsequent to the end of the quarter

The material events announced subsequent to the end of the quarter are as follows:

- a) On 13 July 2020, the Company announced the listing and quoted investment of 100,134,000 Private Placement Shares ("Placement Shares") representing 9.99% of the issued share capital of the Company (excluding treasury shares) as at 3 July 2020, pursuant to the Company's announcement of the Private Placement on 10 September 2019 and Bursa approval on 25 September 2019 and 17 March 2020.
- b) On 12 August 2020, the Company announced that it proposes to undertake the private placement of new ordinary shares in GPB ("GPB Shares" or "Shares") ("Placement Shares"), representing up to 10% of the total number of issued shares in GPB (excluding treasury shares) ("Proposed Private Placement"), at an issue price to be determined and fixed at a future date, under the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") approved by its shareholders at the Company's 18th annual general meeting ("AGM") convened on 23 July 2020. On 1 September 2020, Bursa Securities had approved the listing and quotation of up to 190,273,400 new GPB Shares to be issued pursuant to the Private Placement subject to conditions. On 28 October 2020, 5% of the proposed private placement was completed via issuance of 55,000,000 new shares at RM0.50 each, raising gross proceeds of RM 27.5 million. On 17 February 2021, Bursa Securities had vide its letter dated 16 February 2021, granted to the Company an extension of time until 1 September 2021 to complete the implementation of the Private Placement. 3% of the private placement shares were completed via issuance of 31,000,000 new shares at RM0.38 each, raising gross proceeds of RM 11.8 million on 25 February 2021. Subsequently, on 17 March 2021, the Company fixed the issue price for the remaining 34,208,800 Placement Shares at RM0.36 each.
- c) On 24 July 2020, the Company, Mobikom Sdn Bhd, RHB Investment Bank, CIMB Investment Bank Berhad and Malaysian Trustees Berhad had entered into a supplemental agreement to vary certain terms contained in the programme agreement dated 22 September 2014 relating to the issuance of up to RM210.00 million nominal value of eight (8)-year redeemable exchangeable medium-term notes by the Company ("Proposed Variation"). The Supplemental Agreement has become unconditional on 13 August 2020 following the fulfilment of all conditions precedent set out in the Supplemental Agreement. On 24 August 2020, Mobikom Sdn Bhd issued a notice to exchange all of its RM186,782,377.19 nominal value of the Exchangeable MTNs upon the terms and conditions of the Programme Agreement and Supplemental Agreement. On 7 September 2020, GPB and Mobikom have completed the exchange the Exchangeable MTNs held by Mobikom for all of the webe Securities held by P1SB comprising 5,200,694 webe Shares and RM37,455,000 nominal value of webe CMTN. The completion of the Exchange shall mark the full and final settlement of the Accreted Value of the Exchangeable MTNs as at 31 December 2019 amounting to RM272,585,394.00. Following this, P1SB, a wholly-owned subsidiary of GPB has ceased to be a shareholder of webe. On 18 September 2020, the Company announce that they have entered into the Termination Deed to cancel the Exchangeable MTN Programme and to terminate the Programme Agreement and Supplemental Agreement with immediate effect.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A11 Material events subsequent to the end of the quarter (cont'd)

- d) On 29 June 2018, the Company announced that it proposes to undertake the establishment and implementation of Share Grant Scheme ("SGS") of up to 15% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the duration of the Proposed SGS, for the Eligible Persons. On 16 January 2019, the Company announce that the effective date for the implementation of the SGS, being the date on which the Company fully complies with the requirements under Paragraph 6.43(1) of the Listing Requirements. On 11 September 2020, the Company announce in pursuant to Paragraph 9.19(51) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to grant up to 15,305,900 new ordinary shares of the Company under Green Packet Berhad ("GPB" or the "Company") Share Grant Scheme to eligible Executive Directors and employees of GPB ("Eligible Persons") at no consideration in accordance with the By-Laws. The SGS Shares will be allotted and vested with the Eligible Persons at any point in time during the duration of the Proposed SGS, subject to the fulfilment of the Vesting Conditions which include the achievement of the identified performance targets ("Base Target" and "Stretch Target") and/or service objectives as determined by the SGS Committee at its discretion.
- e) On 28 September 2020, the Company announce that its wholly-owned subsidiary, Packet Interactive Sdn Bhd ("PISB") proposes to enter into a share subscription agreement with Censof Holdings Berhad to subscribe for 5,356,831 new ordinary shares representing 51% of the enlarged share capital in T-Melmax Sdn Bhd for a total cash consideration of RM250,000. On 10 February 2021, all conditions precedent pertaining to the above transaction have been fulfilled. T-Melmax Sdn Bhd is now a 51% -owned subsidiary of Packet Interactive Sdn. Bhd.
- f) On 4 November 2020, the Company announce its indirect wholly-owned subsidiary, Roadmio Technologies Corporation, a company incorporated in Taiwan has commenced member's voluntary winding-up made pursuant to Taiwan Company Act (Sections 83 & 326).
- g) On 2 December 2020, the Company entered into a share sale agreement with the Sellers for the proposed acquisition by GPB of the entire equity interest in Xendity from the Sellers ("SSA") for an aggregate purchase consideration through a combination of cash amounting to USD1.5 million or RM6.25 million and the remaining amount of up to USD8.5 million or RM35.42 million through the allotment and issuance of new ordinary shares in GPB at an issue price to be determined later. On 8 January 2021, Bursa Securities has approved the listing and quotation of up to 147,581,250 Consideration Shares to be issued pursuant to the Proposed Acquisition. On 2 February 2021, the Proposed Acquisition has been completed following the fulfilment of all conditions precedent as set out in the SSA. Xendity is now a wholly-owned subsidiary of the Company. On 11 March 2021, the Company announced the allotment and issuance of 28,892,853 new ordinary shares at an issue price of RM0.42 each.

A12 Changes in the composition of the Group

There is no change in the composition of the Group during the current financial quarter ended 31 December 2020 except as follows:

- a) On 21 December 2020, the Company has incorporated a wholly-owned subsidiary, Green Packet Capital Sdn Bhd with a total issued and paid-up capital of RM1.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting (cont'd)

A13 Contingent assets and changes in contingent liabilities

At the end of the current quarter under review, the Company has provided corporate guarantees to service provider and supplier of the subsidiary, which will not result in potential financial liability to the Group, as follows:

	Financial year ended 31-Dec-20 RM'000	Financial year ended 31-Dec-19 RM'000
<u>Utilised Portion:</u>		
NGT Networks Pte Ltd	7,170	-
Kiplepay Sdn Bhd	36,153	-
Green Packet (S) Pte Ltd	20,085	-
Total	63,408	-

A14 Capital commitments

Capital expenditure of the Group not provided for as at 31 December 2020 in relation to plant and equipment were as follows:

	Financial year ended 31-Dec-20 RM'000	Financial year ended 31-Dec-19 RM'000
Authorised and contracted for	8,812	-

A15 Significant related party transactions

Identity of related parties:

The Group carried out the following significant transaction with its related parties during the financial period under review:-

	Financial year ended 31-Dec-20 RM'000	Financial year ended 31-Dec-19 RM'000
<u>Sales to an associate:</u>		
- Atilze Digital Sdn Bhd	1,520	222
- Shenzhen Memo Technology Co Ltd	5,535	-
<u>Purchase from associates:</u>		
- Atilze Digital Sdn Bhd	7,328	9,341
- Memo Technology (HK) Ltd	3,095	2,693
- Shenzhen Memo Technology Co Ltd	32,461	-
<u>Research and development cost charged by associates</u>		
- Memo Technology (HK) Ltd	21	85
- Shenzhen Memo Technology Co Ltd	599	664

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities

B1 Review of the performance of the Group

Financial review for current quarter and financial period to date:

	3 months quarter ended		% Change	12 months period ended		% Change
	31-Dec-20	31-Dec-19		31-Dec-20	31-Dec-19	
	RM million	RM million		RM million	RM million	
Revenue	163.83	201.73	-19%	618.54	608.18	2%
Operating Loss	(23.62)	(22.69)	4%	(65.08)	(57.93)	12%
EBITDA	(13.81)	(16.46)	-16%	(48.48)	(14.12)	243%
Loss Before Tax	(17.46)	(30.07)	-42%	(73.56)	(52.15)	-41%
Loss After Tax	(17.25)	(27.60)	-38%	(73.58)	(51.51)	-43%
Loss Attributable to Ordinary Equity Holders of the Parent	(20.23)	(26.10)	-22%	(73.10)	(45.97)	-59%

Total revenue, EBITDA losses and loss after tax ("LAT") of the Group stands at approximately RM163.83 million, RM13.81 million and RM17.25 million respectively for the current financial quarter ended at 31 December 2020 ("4Q20") as compared with total revenue, EBITDA and loss after tax ("LAT") of the Group stands at approximately RM201.73 million, RM16.46 million and RM27.60 million respectively for the previous financial quarter ended at 31 December 2019 ("4Q19").

Group's Segmental Analysis:

Revenue contribution comprises the following:

	3 months quarter ended		% Change	12 months period ended		% Change
	31-Dec-20	31-Dec-19		31-Dec-20	31-Dec-19	
	RM million	RM million		RM million	RM million	
Software and Devices	38.83	11.51	237%	91.66	43.95	109%
Communication Services	122.71	186.93	-34%	517.66	557.99	-7%
Digital Services	2.29	1.86	23%	9.22	6.24	48%
Total	163.83	200.31	-18%	618.54	608.18	2%

- Software and Devices business registered 237% higher sales in the current quarter compared to year on year basis mainly due to higher shipment to ASEAN, Europe and Middle East.
- The Communication Services business recorded a lower revenue of 34% in the current quarter as compared to the previous year on year mainly due to decrease of traffic volume from Bangladesh and Nicaragua destination.
- The Digital Services business recorded a higher revenue of 23% in the current quarter as compared to the previous year on year mainly due to contribution from Selangkah's software development and integration project (initiative platform created by the Selangor State Government's Task Force for Covid19 ("STFC")).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B1 Review of the performance of the Group (cont'd)

Group's Segmental Analysis (cont'd):

EBITDA comprises the following:

	3 months quarter ended		% Change	12 months period ended		% Change
	<u>31-Dec-20</u>	<u>31-Dec-19</u>		<u>31-Dec-20</u>	<u>31-Dec-19</u>	
	RM million	RM million		RM million	RM million	
Software and Devices	(3.51)	(7.72)	-55%	(15.48)	(12.66)	-22%
Communication Services	4.96	(3.56)	239%	2.96	(8.03)	137%
Digital Services	(8.99)	(6.82)	-32%	(26.65)	(21.75)	-23%
Investment Holding	(6.26)	1.64	-483%	(9.32)	28.32	-133%
Total	(13.81)	(16.46)	-16%	(48.48)	(14.12)	243%

The EBITDA losses in the current quarter of RM13.81 million as compared to EBITDA losses of RM16.46 million in the previous corresponding quarter mainly due to substantially higher revenue from the Software and Devices business and improved gross profit margin in the Digital Services business. The improvement was mitigated by higher business development costs consisting mainly of staff costs and professional fees incurred.

Loss after tax comprises the following:

	3 months quarter ended		% Change	12 months period ended		% Change
	<u>31-Dec-20</u>	<u>31-Dec-19</u>		<u>31-Dec-20</u>	<u>31-Dec-19</u>	
	RM million	RM million		RM million	RM million	
Software and Devices	(3.76)	(3.52)	7%	(17.90)	(15.46)	-16%
Communication Services	4.98	(0.41)	1307%	2.00	(9.01)	122%
Digital Services	(9.62)	(10.32)	7%	(29.56)	(28.36)	-4%
Investment Holding	(15.00)	(5.97)	151%	(19.64)	(4.45)	-341%
Finance cost*	(23.40)	(20.22)	16%	(65.10)	(57.28)	-14%
Fair value gain on other quoted investment	(0.21)	(5.69)	96%	(15.32)	(21.03)	27%
Share of loss of associate	8.24	1.22	575%	10.23	31.82	-68%
Share of loss of associate	(1.87)	(2.91)	36%	(3.39)	(5.02)	33%
Total	(17.25)	(27.60)	-38%	(73.58)	(51.51)	-43%

*Finance cost is mainly in relation to the Exchangeable Medium Term Notes.

The improved LAT was mainly due to decrease in finance cost coupled with fair value gain from a quoted investment of RM8.24 million as compared to fair value gain of RM1.22 million in previous corresponding quarter.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B2 Material changes in the quarterly results compared to the results of the preceding quarter

Financial review for current quarter compared with immediate preceding quarter:

	3 months period ended		% Change
	<u>31-Dec-20</u>	<u>30-Sep-20</u>	
	RM million	RM million	
Revenue	163.83	162.67	1%
Operating Loss	(23.62)	(11.87)	-99%
EBITDA	(13.81)	0.02	66272%
Loss Before Tax	(17.46)	(7.58)	-130%
Loss After Tax	(17.25)	(7.75)	-123%
Loss Attributable to Ordinary Equity Holders of the Parent	(20.23)	(6.81)	-197%

Total revenue and LAT of the Group for the current financial quarter ended 31 December 2020 ("4Q20") were RM163.83 million and RM17.25 million respectively as compared to the revenue and LAT of the Group for the preceding financial quarter ended at 30 September 2020 ("3Q20") of RM162.67 million and RM7.75 million respectively. The higher LAT in the current quarter was mainly due to increase in staff costs and sales and marketing expenses coupled with the increase in share of losses in associate companies.

Group's Segmental Analysis:

Revenue contribution comprises the following:

	3 months period ended		% Change
	<u>31-Dec-20</u>	<u>30-Sep-20</u>	
	RM million	RM million	
Software and Devices	38.83	25.92	50%
Communication Services	122.71	135.36	-9%
Digital Services	2.29	1.39	65%
Total	163.83	162.67	1%

Overall, revenue for current quarter was slightly higher than the preceding quarter mainly due to increase in the revenue from Software and Devices.

EBITDA comprises the following:

	3 months period ended		% Change
	<u>31-Dec-20</u>	<u>30-Sep-20</u>	
	RM million	RM million	
Software and Devices	(3.51)	(8.52)	59%
Communication Services	4.96	0.06	-8469%
Digital Services	(8.99)	(5.78)	-56%
Investment Holding	(6.26)	14.26	144%
Total	(13.81)	0.02	66272%

Higher EBITDA losses in current quarter was mainly due to recognition of other income amounted to RM14.30 million in preceding quarter as a result of settlement of EMTN.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B2 Material changes in the quarterly results compared to the results of the preceding quarter (cont'd)

Loss after tax comprises the following:

	3 months period ended		% Change
	<u>31-Dec-20</u> RM million	<u>30-Sep-20</u> RM million	
Software and Devices	(3.76)	(8.89)	58%
Communication Services	4.98	(0.33)	1614%
Digital Services	(9.62)	(6.63)	-45%
Investment Holding	(15.00)	3.81	494%
	(23.40)	(12.04)	-94%
Finance cost*	(0.21)	(5.43)	96%
Fair value gain on other quoted investment**	8.24	10.23	19%
Share of loss of associate	(1.87)	(0.50)	-271%
Total	(17.25)	(7.75)	-123%

* Finance cost is mainly in relation to the Exchangeable Medium Term Notes.

** Fair value adjustment on quoted investment as at 31 December 2020

B3 Financial year ending 31 December 2021 prospects

a) Due to the ongoing Covid-19 pandemic, the Board expects the current financial year to remain challenging. The Group has considered the impact of this challenging environment in its strategy and business plan for 2021 to ensure that we remain competitive, and will focus on our business initiatives as below:

- Expand the geographical reach and competitive supply chain arrangements for LTE products to improve shipment units and connect people around the world.
- Improve operational efficiency for wholesale voice traffic and wholesale data business to improve earnings for the communication business.
- Build strategic partnership, upsell additional modules and expand to more sites for Digital business.
- Introduce Artificial Intelligence applications and solutions for workplace safety, eKYC and cloud services to the enterprise market.

b) Progress and steps to achieve financial estimate, forecast, projection and internal targets previously announced

There was no financial forecast previously announced by the Group.

B4 Statement of the Board of Directors' opinion on achievability of financial estimate, forecast, projection and internal targets previously announced

Not applicable

B5 Financial estimate, forecast or projection/profit guarantee

There was no financial estimate, forecast or projection and profit guarantee issued by the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B6 Income tax expense

	Financial year ended 31-Dec-20 RM'000
Current period tax expense	19

B7 Status of corporate proposals and utilisation of proceeds

The status of Corporate Proposals announced but not completed for the current financial period under review are as follow:

- a) On 16 June 2020, the Company announced that it has entered into a Term Sheet with the shareholders of Xendity Pte Ltd ("Xendity") ("the Sellers") for the proposed acquisition of the entire equity interest in Xendity (Company No: 201704574Z) ("Target Company"), comprising 3,105,263 ordinary shares in the Target Company ("Sale Shares") from the Sellers for a purchase consideration of up to United States Dollar ("USD") 10.0 million ("Purchase Price") ("Proposed Acquisition"). The Purchase Price is intended to be satisfied through a combination of cash amounting to USD1.5 million and the remaining USD8.5 million via the issuance of new ordinary shares in Green Packet at an issue price to be determined later. The Proposed Acquisition is subject to the Company and Sellers (collectively referred to as the "Parties") entering into the Definitive Agreements upon completion of due diligence and other Condition Precedents. On 15 September 2020, the Company announce that pursuant to a letter received from Xendity Pte Ltd on 14 September 2020 which was accepted by the Company on 15 September 2020, the Parties have mutually agreed to extend the validity of the Term Sheet to 31 December 2020. On 2 December 2020, the Company entered into a share sale agreement with the Sellers for the proposed acquisition by GPB of the entire equity interest in Xendity from the Sellers ("SSA") for an aggregate purchase consideration through a combination of cash amounting to USD1.5 million or RM6.25 million and the remaining amount of up to USD8.5 million or RM35.42 million through the allotment and issuance of new ordinary shares in GPB at an issue price to be determined later.
- b) The utilisation of Right Issues proceeds completed on 4 Dec 2018 are as follows:

Purpose	Proposed	Actual
	Utilisation	Utilisation
	RM '000	up to date of Announcement RM '000
(i) Purchase of trade equipment	25,935	25,935
(ii) Future viable investments	10,000	1,310
(iii) Working capital for media and digital services	10,000	10,000
(iv) Working capital for Fintech solutions	5,000	5,000
(v) General working capital	8,346	8,346
(vi) Estimated expenses	800	800
Total	60,081	51,391

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B7 Status of corporate proposals and utilisation of proceeds (cont'd)

c) The utilisation of 1st Private Placement proceeds completed on 13 July 2020 are as follows:

Purpose	Proposed	Actual
	Utilisation RM '000	Utilisation up to date of Announcement RM '000
(i) Future viable investments	15,000	12,971
(ii) Working capital for digital services segment - ("Fintech solutions")	35,000	23,710
(iii) General working capital	1,870	1,870
(iv) Estimated expenses	200	200
Total	52,070	38,751

d) The utilisation of 2nd Private Placement first tranche proceeds completed on 30 October 2020 are as follows:

Purpose	Proposed	Actual
	Utilisation RM '000	Utilisation up to date of Announcement RM '000
(i) Servers and network equipment	26,195	-
(ii) Working capital for cloud computing business	1,112	1,000
(iii) Expenses for the Proposed Private Placement	193	193
Total	27,500	1,193

B8 Group borrowings and debt securities

Total borrowings of the Group are as follows:

	As at 31 December 2020		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Revolving Credits	-	7,078	7,078
- Hire purchases creditors and lease liabilities, which are denominated in Ringgit Malaysia.	186	1,851	2,037
Total	186	8,929	9,115

	As at 31 Dec 2019		
	Non-current RM '000	Current RM '000	Total RM '000
Secured:			
- Exchangeable medium term notes	272,598	-	272,598
- Term loan	57	55	112
- Revolving Credits	-	7,452	7,452
- Hire purchases creditors and lease liabilities, which are denominated in Ringgit Malaysia.	186	1,251	1,437
Total	272,841	8,758	281,599

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B9 Material litigations

There were no material litigations involving the Group as at the date of this announcement.

B10 Dividends

No dividend has been declared or recommended in respect of the current financial period under review.

B11 Realised and unrealised losses disclosure

The Group's realised and unrealised accumulated losses disclosure are as follows:

	As at 31-Dec-20 RM'000	As at 31-Dec-19 RM'000
Total accumulated losses of the Company and subsidiaries:		
- Realised accumulated losses	(481,426)	(518,451)
- Unrealised retained loss	(1,701)	(500)
Consolidation adjustments	388,837	462,790
Total Group accumulated losses	(94,290)	(56,162)

B12 Loss per share

Basic loss per share

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares in issue during the period.

	3 months quarter ended		12 months period ended	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
Loss attributable to ordinary equity holders of the Company (RM'000)	(20,234)	(26,098)	(73,099)	(45,965)
Weighted average numbers of ordinary shares in issue ('000)	1,055,878	914,076	1,055,878	914,076
Basic loss per share (sen)	(1.9)	(2.9)	(6.9)	(5.0)

Diluted loss per share

	3 months quarter ended		12 months period ended	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
Loss attributable to ordinary equity holders of the Company (RM'000)	(20,234)	(26,098)	(73,099)	(45,965)
Weighted average numbers of ordinary shares in issue for basic loss per share ('000)	1,055,878	914,076	1,055,878	914,076
Shares deemed to be issued for no consideration: - Warrants ('000)	107,306	94,316	107,306	94,316
Weighted adjusted numbers of ordinary shares in issue ('000)	1,163,184	1,008,392	1,163,184	1,008,392
Diluted loss per share (sen)	(1.7)	(2.6)	(6.3)	(4.6)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (cont'd)

B13 Loss for the Period

	3 months quarter ended		12 months period ended	
	<u>31-Dec-20</u>	<u>31-Dec-19</u>	<u>31-Dec-20</u>	<u>31-Dec-19</u>
	RM'000	RM'000	RM'000	RM'000
Loss for the period is arrived at after charging :				
Amortisation on :				
- development cost	633	1,078	3,298	3,638
Impairment loss on :				
- development cost	1,687	-	1,687	303
- investments in associates	-	-	-	4,728
- goodwill	-	937	-	937
- intangible assets	-	3,190	-	3,190
Depreciation of :				
- plant and equipment	604	661	1,612	1,457
- right-of-use assets	327	1,413	1,459	1,413
Equipment written off	-	-	21	280
Lease expenses :				
- rental of office	83	256	374	517
- rental of equipment	-	-	-	1,364
Loss/(Gain) on foreign exchange				
- realised	557	113	538	(1,022)
- unrealised	1,254	202	1,518	56
Loss on dilution of equity interest in associate	-	1,351	-	1,351
Staff costs:				
- defined contribution plan	1,232	654	3,713	2,814
- employee share options	712	-	712	-
- salaries and other benefits	15,549	11,733	48,844	35,704
Inventories (written back) / written off	42	-	(112)	365
Interest expense:				
- hire purchase	3	-	13	-
- other interest expenses	210	5,700	15,307	20,776
and after crediting :				
Interest income	(32)	(162)	(403)	(1,363)
Gain on lease termination	-	(3)	-	(3)

B14 Authorisation for issue

The interim financial statements were authorised for release by the Board of Directors on 23 March 2021.